

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

IN RE:

MEDSCI DIAGNOSTICS INC.

DEBTOR

CASE NO. 10-04961 ESL

CHAPTER 11

TREASURY DEPARTMENT'S REQUEST FOR THE ALLOWANCE AND PAYMENT OF
ADMINISTRATIVE EXPENSES

TO THE HONORABLE COURT:

COMES NOW, The Treasury Department of the Commonwealth of Puerto Rico, through the Secretary of Justice, by the undersigned counsel, and respectfully states and prays as follows:

1. This Honorable Court has jurisdiction under Title 28 USC §1334, and venue under Title 28 USC §1408, especially regarding this matter under Title 11 USC §507, on Priorities and §503, on Allowance of Administrative Expenses.

2. On **June 6, 2010**, debtor filed the instant petition for relief under Chapter 11, which operates as a stay, applicable to all entities, of (4) any act to create, perfect, or enforced any lien as against property of the estate;... (6) to collect, assess, or recover a claim against the Debtor that arose before the commencement of the case under this title;... 11 USC §301 and 11 USC §362.

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3. The Puerto Rico Treasury Department filed Proof of Claim No. 9 on December 3, 2010, which included an unsecured priority debt of \$16,964.11 and a general unsecured debt of \$58,606.56 for a total tax liability of \$75,570.67. **Please see Bankruptcy Claims Register, under claim(s) no. 9.**

4. Debtor in Possession is liable for the accumulated post petition tax liability for failed to file the corresponding Employees Withholding Tax Returns (300) for the second and third trimester of 2010. (Exhibit 1)

5. The Puerto Rico Internal Revenue Code requires Debtor to file post petition tax returns. Nonetheless, instead of abiding by this obligation under PR Internal Revenue Code, Debtor has accrued post petition tax liabilities in the amount of **\$5,999.46** for employee taxes. (Exhibit 1)

6. Failure to remit these post petition withheld amounts compels the Debtor to pay these taxes as a priority administrative expense pursuant to the provisions of the Bankruptcy Code.

7. Pursuant Title 11 USC §503, on Allowance of Administrative Expenses provide the definition of what constitutes an administrative expense:

§503. Allowance of administrative expenses.

(a).....

(b) After notice and a hearing, there shall be allowed administrative expenses, other than claims

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allowed under section 502(f) of this title, including -

(1)(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case;

(B) any tax--

(i) incurred by the estate, except a tax of a kind specified in section 507(a) (8) of this title; or [Emphasis added].

8. The Bankruptcy Code defines a priority in section 507(a) (1). The statute provides in pertinent part which category of administrative expenses holds a first priority.

§507. Priorities.

(a) The following expenses and claims have priority in the following order:

(1) ...

(2) Second, administrative expenses allowed under section 503(b) of this title, and[Emphasis added].

9. Accordingly, both sections 507(a) (1) and 503(b) (1) (B) provide for the payment of the estate's administrative taxes.

10. The Treasury Department of the Commonwealth of Puerto Rico hereby requests the allowance and payment of the post petition administrative expenses accrued by Debtor in this case pursuant to the provisions of section 503(b) of the Bankruptcy Code.

11. Debtor in Possession is liable for the accumulated post petition tax liability for failed to file the corresponding Employees Withholding Tax Returns (300) for the second and third

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trimester of 2010, based on Treasury's investigation an imposition of a deficiency pursuant to the Puerto Rico Internal Revenue Code.

12. These past due amounts continue to accrue interests, penalties and late charges, which are also due and payable to the Treasury Department. Debtor must be ordered to comply with the statutory provisions of section 503(b) and pay the administrative claim in its entirety.

WHEREFORE, the Treasury Department of the Commonwealth of Puerto Rico respectfully prays as relief from this Honorable Court to allow the Treasury Department's request for allowance of these administrative expenses and to order that these administrative expense taxes for the amount of **\$5,999.46** are immediately paid by Debtor.

-NOTICE-

UNLESS A PARTY IN INTEREST OBJECTS TO WITHIN FOURTEEN (14) DAYS FROM THE DATE OF THE NOTICE, THE REQUEST FOR THE ALLOWANCE OF ADMINISTRATIVE EXPENSES WILL BE DEEMED ALLOWED AND MAY BE GRANTED.

LBR 9013-1(h)

CERTIFICATE OF SERVICE

I hereby certify that on this same date a true and correct copy of the present *motion* was electronically filed with the clerk of the Court using CM/ECF System which will send

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notification of such filing at the authorized address to **Atty. Monsita Lecaroz Arribas**, US Trustee; and to the Attorney for Debtor, **Atty. Edgardo Muñoz**, and to all the Creditors disclosed under the List of Creditors.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 17 day of January, 2011.

GUILLERMO SOMOZA COLOMBANI

Secretary of Justice of the Commonwealth
of Puerto Rico

GRISEL SANTIAGO CALDERÓN

Deputy Secretary of Justice
In Charge of Litigation

WANDYMAR BURGOS VARGAS

U.S.D.C. No. 223502
Director of Legal Affairs
Federal Litigation Division

//S// MIGDA LIZ RODRÍGUEZ COLLAZO

MIGDA LIZ RODRÍGUEZ COLLAZO, ESQ

U.S.D.C. NO. 224608

Attorney

Federal Litigation Division

DEPARTMENT OF JUSTICE OF THE

COMMONWEALTH OF PUERTO RICO

P.O. Box 9020192

San Juan, PR 00902-0192

Phone 787 721-5636/8010

Fax. (787) 723-9188

bankruptcyjusticia.gobierno.pr@gmail.com

ENTREGADO A: HECTOR AMADO CRUZ

MEDSCI DIAGNOSTICS INC. #10-04961

Imm4870

2 DE DICIEMBRE DE 2010

Colecturía - Collector's Office

FOR OFFICIAL USE ONLY: To be kept as a permanent record in the case file.



Estado Libre Asociado de Puerto Rico
Commonwealth of Puerto Rico

DEPARTAMENTO DE HACIENDA
DEPARTMENT OF TREASURY

Area de Rentas Internas y Recaudaciones
Internal Revenue and Collection Area

Negociado de Recaudaciones
Collections Bureau

SECCION DE QUIEBRAS, SAN JUAN, PR
BANKRUPTCY SECTION
Colecturia - Collector's Office

TIPOS DE CUENTA
Account Classification

CUENTA	CLAVE	DESCRIPCION
100	IND	C/S/I Individuo
200	CORP	C/S/I Corporativo
201		Contribucion Adicional Especial
202		Impuesto de Repatriación
300	PATRONAL	C/S/I Patronal
301		C/S/I Retenidos en el Origen (No Res)
302-306		Dividendos, Int. y Distrib. Sociedades
307		Penalidad IRA
308		Otros Pagos
400	7% RET	Retenida y Otras Retenciones
401		Servicios Prestados Corporación
402		Indemnización Extrajudicial o Judicial
500	ABR	Arbitrios No Afianzados
501	HOST	Hotelero
502	JOYE	Joyería
503	MANU	Manufactureros
504	IMPA	Importadores Afianzados
505	AGRI	Agrícola
506	EXEN	Contribuyente Exento
507	CORR	Afianzado Via Correo
508	ADEU	almacen de Adeudo Arbitrios
509	IACE	Importador de Aceites Lubricantes
510	INEU	Importador a fianzado y/o manufacturero
511	MACE	Manufacturero de Aceites Lubricantes
512	MNEU	Manufacturero de Neumáticos
513	RECI	Reciclaje
600	HER	C/S/I Herencia
620	DON	C/S/I Donaciones
700	LACD	Licencia de Arbitrios con Descuento
701	LARB	Licencia de Arbitrios sin Descuento
750	LBEB	Licencia de Alcohol
800	ALCO	Impuesto Sobre Bebidas Alcoholicas
850		Electric Benefit Transfer
900	SERV. DEPT	Departamento de Servicios Sociales
901		Cheque Devuelto
930	IVU	Penalidad IVU
125	CONT. ESPC.	Contribucion Especial Sobre la Propiedad Inmueble